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highlights

a weekly digest of recently released British Columbia statistics

Prices

- The consumer price index for BC grew 2.9% in March compared to March 2001.** When energy is removed, the index shows a 2.5% increase. The cost of energy increased 9.5% despite lower prices for fuel oil (-15.4%) and gasoline (-4.5%). This occurred because of the effect of electricity rebates last spring which drove the index down in February and March 2001. Food prices rose 3.4% and shelter prices gained 3.2% from the same period of last year. Tobacco products and services saw a 23.5% jump in prices, mainly due to the new cigarette tax.

Across the country, the consumer price index rose 1.8% compared to the same month of 2001. BC posted the largest price change (+2.9%), followed by Saskatchewan (+2.5%). Quebec (+1.4%) and Ontario (+1.9%) were also up. Newfoundland and Labrador experienced the smallest provincial increase (+0.4%).

Source Statistics Canada

The Economy

- BC's economy grew 0.9% in 2001, following a 3.9% gain in 2000.** This was the smallest increase since 1991 when growth sat at 0.3%. Domestic demand for goods and services helped strengthen the economy with a 3.1% gain. Consumer spending continued to rise (+3.0%). Government spending on goods and services increased 2.6%, as did investment in fixed capital. After declining 18.0% in 2000, government spending on non-residential structures was up 2.3%.

For the third straight year, business investment rose (+4.2%). This was due in part to an 8.0% increase in spending on residential structures,

ending a three-year-long decline. Spending on machinery and equipment inched up 0.5% and investment in non-residential structures grew 5.0%.

BC's trade deficit continued to worsen in 2001, reaching \$5.0 billion in 1997 dollars. Falling exports (-6.3%) were the driving force behind this. Exports to other countries plunged 9.0% as both exports of goods (-10.1%) and services (-4.4%) were down. Exports to other provinces remained fairly flat (+0.3%) but imports dropped 1.0%. Imports from other countries fell 7.2%.

Source Statistics Canada

- BC's weak growth in 2001 moved its ranking among provinces down.** BC outperformed only three provinces, Saskatchewan (-1.9%), Prince Edward Island (+0.1%) and New Brunswick (+0.7%). Northwest Territories easily outranked the rest of Canada, posting a 20.8% increase. Investment in diamond mining and oil and gas extraction was a key factor in this gain. Alberta (+2.9%) posted the largest provincial gain. Overall, Canada's economy grew 1.2%.

Source Statistics Canada

- Personal disposable income per person (1997 dollars) in BC rose 0.8% in 2001 to \$19,177.** The personal savings rate fell to -5.2%, the lowest in the country. The personal savings rate has fallen each year since 1989 when the rate was 9.8%. Saskatchewan (-1.9%) was the only other province where per capita spending exceeded disposable income.

Source Statistics Canada

- For the fifth straight month, BC retail sales rose (+1.4%) in February.** Nationally sales remained fairly flat (+0.1%). Northwest Territories posted the biggest increase (+5.5%). The larg-

Did you know...
Three-quarters of BC's GDP originated in service industries last year.

est decline was in Yukon (-7.3%), followed by Ontario (-2.0%). Canada-wide, sales in women's clothing stores rose 1.9% and food stores saw sales up 0.8%. Sales in household furnishing stores were down 4.4%. *Source Statistics Canada*

- **The number of British Columbians receiving regular Employment Insurance benefits fell 0.5% in February.** BC was one of six provinces to experience declines. The largest drop was seen in Ontario (-4.4%). Alberta posted the biggest increase (+2.9%). Nation-wide the number of Canadians receiving EI benefits was down 1.0%.

Source Statistics Canada

- **Visitor entries to BC rose 2.1% (seasonally adjusted) in February to reach 678,100.** Entries from both the United States (+2.0%) and from overseas (+2.2%) were up. The number of visitors entering BC from Asian countries grew 3.6%. The number of Canadians returning to Canada via BC's borders increased 1.3% as same day trips to the US jumped 2.0% and overseas re-entries gained 0.7%.

Source BC Stats, Statistics Canada

Organ Donations

- **BC had the lowest rate of cadaveric organ donations in Canada with 9.4 donations per 1 million people in 2000.** There were 38 cadaveric organ donors in BC in 2000, down from a high of 59 in 1995. BC had the highest number of people per capita on a kidney transplant waiting list, with a rate of 114.9 per million people. However, BC posted the highest rate of living donors, with 19 donations per 1 million people.

Across the country, 15.3 cadaveric organ donations were made per one million people. The rate was highest in the Atlantic provinces (18.9) and lowest in BC (9.4). A total of 470 cadaveric donations were made in Canada in 2000.

Source Canadian Institute for Health Information

Spending on Drugs

- **Canadians spent \$13.3 billion on prescribed and non-prescribed drugs in 1999 and are forecast to have spent \$15.5 billion in 2001.** The 1999 level represents a 250% increase since 1985. Most (76%) of the money went to prescription rather than over the counter drugs.

The public sector contributed 44% of prescription drug costs whereas private insurers put up 33.5% of the total. Consumers financed the rest of the cost (23%). The public sector contribution for prescription drugs rose to 49% in 2001. Compared to other OECD countries, Canada ranks low for its public sector contribution to drug expenditures. Many OECD countries provide universal coverage for prescribed drugs.

Source Canadian Institute for Health Information

Childcare

- **Eleven percent of households in BC spent money on childcare in 1999.** On average, these households spent \$2,220 on childcare. Nationally, 13% of all households purchased childcare services. Prince Edward Island (16%) posted the largest rate of households who spent money on childcare while BC (11%) reported the lowest rate. Overall, \$3.5 billion was spent on childcare services in Canada.

Source Statistics Canada

Environment

- **There were 1,047 establishments in BC's environment industry in 2000.** These firms employed 19,097 workers and posted revenues of \$2.7 billion. Sales of environmental products brought in 63% of total revenue. Over half (58%) of environmental product revenue was captured through the sale of services and 24% was received from the sale of goods. The remaining 18% was attributed to environment-related construction.

Source Statistics Canada

Waste Disposal

- **Waste management industries in BC disposed of 2.6 million metric tonnes of waste in 2000, up from 2.5 million in 1998.** On a per capita basis, 640 kilograms of waste was generated for each person in the province. This rate was among the lowest in the country with only Nova Scotia (460 kilograms per capita) and New Brunswick (630 kilograms per capita) generating less waste. Quebec posted the highest amount of waste per capita, at 940 kilograms per person. The national average was 750.

Source Statistics Canada

highlights, Issue 02-17

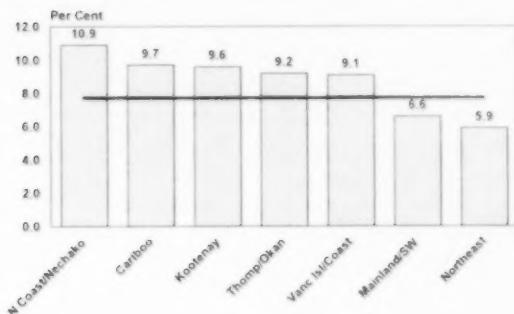
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Regional Comparisons of the Labour Force in British Columbia

In 2001, the number of people employed in British Columbia decreased 0.3 per cent over 2000 to 1,942,400. The largest employment decline was in the Vancouver Island/Coast region, where employment dropped by 6.3 per cent. The Northeast region experienced the largest growth in employment at 2.2 per cent, likely due to the rapid growth in the natural gas industry.

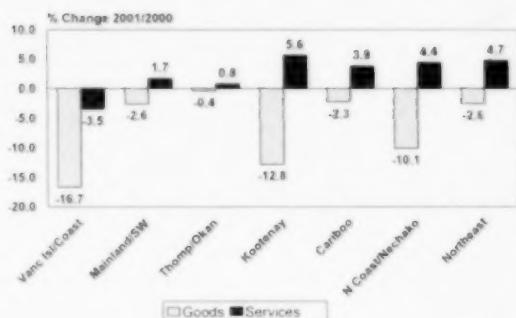
The unemployment rate in BC increased by 0.5 percentage points to 7.7 per cent in 2001. North Coast/Nechako experienced the highest unemployment rate of all of the regions at 10.9 per cent, a 0.7 percentage point increase over 2000. Kootenay region's unemployment rate, at 9.6 per cent, showed the most significant decline at 0.5 per cent.

Unemployment Rates in BC Regions - 2001



In 2001, employment in the goods-producing sector in BC decreased by 5.4 per cent and all areas of the province were affected. Vancouver Island/Coast goods sector employment declined the most with a loss of 16.7 per cent while the Thompson/Okanagan underwent the smallest decline at -0.4 per cent.

Change in Employment in BC Regions - 2001



The three most northern regions of the province are much more dependent on the goods-producing sector than the lower half of the province. In the three northern regions, the goods producing industries are responsible for just about one third of total employment; 33.4 per cent in Northeast, 30.1 per cent in the Cariboo and 30.0 per cent in the North Coast & Nechako region. The North Coast/Nechako region lost 10.1 per cent of its employment in the goods producing sector in 2001.

Fortunately, the BC service producing sector did show some growth (1.0%), particularly in the areas of the province that rely heavily on the production of goods. The eastern and northern parts of the province all showed employment growth of more than 3 per cent in their service sectors. These growth levels were adequate to offset the goods producing sector declines so all these regions showed either steady state levels of overall employment or minor increases. The only area to undergo a decline in its service sector was the Vancouver Island/Coast region (-3.5%). That decline, alongside the significant employment reduction in the goods sector (-16.7%), brought about a considerable jump in the unemployment rate from 7.8 to 9.1 percent.

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BC at a glance . . .

POPULATION (thousands)		Jan 1/01	% change on one year ago
BC	4,108.0	0.9	
Canada	31,185.8	0.9	
GDP and INCOME		2001	% change on one year ago
(BC - at market prices)			
Gross Domestic Product (GDP) (\$ millions)	130,396	2.2	
GDP (\$ 1997 millions)	125,534	0.9	
GDP (\$ 1997 per Capita)	30,648	-0.1	
Personal Disposable Income (\$ 1997 per Capita)	19,177	0.8	
TRADE (\$ millions)		2001	% change on one year ago
Manufacturing Shipments (seas. adj.) Feb	2,801		
Merchandise Exports (raw) Feb	2,145		
Retail Sales (seasonally adjusted) Feb	3,320		
CONSUMER PRICE INDEX		Mar '02	% change on one year ago
(all items - 1992=100)			
BC	116.6	2.9	
Canada	117.7	1.8	
LABOUR FORCE (thousands)		Mar '02	% change on one year ago
(seasonally adjusted)			
Labour Force - BC	2,131	1.0	
Employed - BC	1,940	-1.6	
Unemployed - BC	191	37.6	
Unemployment Rate - BC (percent)	9.0	6.6	
Unemployment Rate - Canada (percent)	7.7	7.0	
INTEREST RATES (percent)		Apr 24/02	Apr 25/01
Prime Business Rate	4.00	6.50	
Conventional Mortgages - 1 year	5.40	6.80	
- 5 year	7.45	7.50	
US/CANADA EXCHANGE RATE		Apr 24/02	Apr 25/01
(avg. noon spot rate) Cdn \$	1.5682	1.5473	
US \$ (reciprocal of the closing rate)	0.6378	0.6447	
AVERAGE WEEKLY WAGE RATE		Mar '02	% change on one year ago
(industrial aggregate - dollars)			
BC	663.44	2.0	
Canada	647.71	2.7	
SOURCES:			
Population, Gross Domestic Product, Trade,	Statistics Canada		
Prices, Labour Force, Wage Rate			
Interest Rates, Exchange Rates. Bank of Canada Weekly Financial Statistics			
For latest Weekly Financial Statistics see www.bankofcanada.ca			

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